

BACKGROUND

HISTORY

In the very long scale of history, Hong Kong as we know it today has existed for a mere blink of an eye. But there was a lot going on in the region before that wintry morning in 1841 when a contingent of British marines clambered ashore and planted the Union flag on the western part of Hong Kong Island, claiming it for the British Crown.

EARLY INHABITANTS

Hong Kong has supported human life since at least the late Stone Age. Finds uncovered at almost 100 archaeological sites in the territory, including a rich burial ground discovered on the island of Ma Wan in 1997 and three hoards on the west coast of the Tuen Mun peninsula, suggest that the inhabitants of these settlements were warlike. The remnants of Bronze Age habitations (c 1500–220 BC) unearthed on Lamma and Lantau Islands and at around 20 other sites – as well as the eight geometric rock carvings that can still be viewed at various locations along Hong Kong’s coastline – also indicate that these early peoples practised some form of ancient religion based on cosmology. Other finds indicate Hong Kong’s Stone Age inhabitants also enjoyed a relatively nutritious diet of iron-rich vegetables, small mammals, shellfish and fish harvested far offshore.

THE FIVE GREAT CLANS

Just when the area that is now Hong Kong became an integral part of the Chinese empire is difficult to say. What is certain, however, is that by the time of the Eastern Han dynasty (AD 25–220), Chinese imperial rule had been extended over the region. The discovery of a number of Han coins on Lantau and Kau Sai Chau Islands and at several important digs, including the tomb of a senior Han warrior at Lei Cheng Uk in central Kowloon (see p100) and So Kwun Wat southeast of Tuen Mun, attests to this.

The first of Hong Kong’s mighty ‘Five Clans’, Han Chinese whose descendants hold political and economic clout to this day, began settling the area around the 12th century. The first and most powerful of the arrivals were the Tang, who initially settled around Kam Tin (*tín* means ‘field’). The once-moated hamlet of Kat Hing Wai (*wài* means ‘protective wall’; see p117), which is probably the most visited of the remaining traditional walled villages in the New Territories, formed part of this cluster.

The Tang were followed by the Hau, who spread around present-day Sheung Shui, and the Pang from central Jiangsu province, who settled in what is now the area around Fanling. These three clans were followed by the Liu in the 15th century and the Man a century later.

The Cantonese-speaking newcomers called themselves *bún-day* (Punti), meaning ‘indigenous’ or ‘local’ – something they clearly were not. They looked down on the original inhabitants, many of whom had been shunted off the land and had moved onto the sea to live on boats. It is thought that today’s fisherpeople called, the Tanka, emerged from this persecuted group.

TIMELINE

4000–1500 BC	250 BC–AD 25	12th–16th centuries
Small groups of Neolithic hunter-gatherers and fisherfolk settle coastal areas; a handful of tantalising archaeological finds – tools, pottery and other artefacts – are the only remnants left by these nomads	The aboriginal population, the Yue (a people possibly of Malay stock who migrated from Southeast Asia), begin trading with dynastic China; Chinese imperial rule extends to what is now Hong Kong during the Han dynasty (AD 25–220)	Hong Kong’s Five Clans – the Tang, the Hau, the Pang, the Lui and the Man – settle in what is now the New Territories and build walled villages in the fertile plains and valleys

AN IMPERIAL OUTPOST

Clinging to the southern edge of the Chinese province of Canton (now Guangdong), the peninsula and islands that became the territory of Hong Kong counted only as a remote pocket in a neglected corner of the Chinese empire. Among the scattered communities of farmers and fisherfolk were pirates who hid from the authorities among the rocky islands that afforded easy access to the nearby Pearl River.

Hong Kong's first recorded encounter with imperial China in the 13th century was as brief as it was tragic. In 1276 a group of loyal retainers of the Song dynasty (AD 960–1279) smuggled the boy emperor, Duan Zong, south to the remote fringes of the empire after the Song capital, Hangzhou, had fallen to the Mongol hordes sweeping China. Nine-year-old Duan Zong drowned when Mongol ships defeated the tattered remnants of the imperial fleet in a battle on the Pearl River.

The Punti flourished until the struggle that saw the moribund Ming dynasty (1368–1644) overthrown. The victorious Qing (1644–1911), angered by the resistance put up by southerners loyal to the *ancien régime* and determined to solve the endemic problem of piracy, in the 1660s ordered a forced evacuation inland of all the inhabitants of Guangdong's coastal San On district, including Hong Kong.

These turbulent times saw the birth of the Triads (p29). Originally founded as patriotic secret societies dedicated to overthrowing the Qing dynasty and restoring the Ming, they would degenerate over the centuries into Hong Kong's own version of the Mafia. Today's Triads still recite an oath of allegiance to the Ming, but their loyalty is to the dollar rather than the vanquished Son of Heaven.

More than four generations passed before the population was able to recover to its mid-17th-century level, boosted in part by the influx of the Hakka (Cantonese for 'guest people'), who moved here in the 18th century and up to the mid-19th century. A few vestiges of their language, songs and folklore survive, most visibly in the wide-brimmed, black-fringed bamboo hats sported by Hakka women in the New Territories.

ARRIVAL OF THE OUTER BARBARIANS

For centuries, the Pearl River estuary had been an important trading artery centred on the port of Canton (now Guangzhou). Arab traders had entered – and sacked – the settlement as early as the 8th century AD. Guangzhou was 2500km south of Peking, and the Cantonese view that the 'mountains are high and the emperor is far away' was not disputed in the imperial capital. The Ming emperors regarded their subjects to the south as no less than witches and sorcerers, their language unintelligible and their culinary predilections downright disgusting. It was therefore fitting that the Cantonese should trade with the 'outer barbarians', or foreign traders.

Regular trade between China and Europe began in 1557 when Portuguese navigators set up a base in Macau, 65km west of Hong Kong. Dutch traders came in the wake of the Portuguese, followed by the French. British ships appeared as early as 1685 from the East India Company concessions along the coast of India, and by 1714 the company had established offices and warehouses with 'factors' (managers) in Guangzhou to trade for tea, silk and porcelain. By the end of the 18th century, the flags of more than a dozen nations, including Britain, flew over the buildings along 13 Factories St.

In 1757 an imperial edict awarded the *cohong* (a local merchants' guild), the monopoly on China's trade with foreigners, restricting the European traders. It was illegal for them to learn the Chinese language or to deal with anyone except merchants of the *cohong*; they could not enter Guangzhou proper but were restricted to Shamian Island in the Pearl River; they were allowed to remain only for the trading season (November to May).

OPIUM & WAR

China didn't reciprocate Europe's voracious demand for its products, especially tea, for the most part shunning foreign manufactured goods. The foreigners' ensuing trade deficit was soon reversed, however, after the British discovered a commodity that the Chinese did want: opium.

The British, with a virtually inexhaustible supply of the drug from the poppy fields of India, developed the trade aggressively. Alarmed to see its silver draining from the country to pay for the opium and the spread of addiction, Emperor Chia Ch'ing (Jiaqing; r 1796–1820) issued an edict in 1799 banning the trade of opium in China, while his son and successor, Tao Kuang (Dao Guang; r 1820–50), banned the drug from Whampoa (now Huangpo) and Macau in 1820.

In Guangzhou the *cohong* and corrupt officials helped ensure the trade continued, and both sides amassed great fortunes. This was all supposed to change in June 1839 with the arrival of Lin Zexu, governor of Hunan and a mandarin of great integrity, who surrounded the British garrison in Guangzhou and cut off their food supplies, forcing them to turn over more than 20,000 chests of the drug.

The British chief superintendent of trade, Captain Charles Elliot, suspended all trade with China while he awaited instructions from London. The foreign secretary, Lord Palmerston, goaded by prominent Scottish merchants William Jardine and James Matheson, ordered the Royal Navy in Guangzhou to force a settlement in Sino-British commercial relations. An expeditionary force of 4000 men under Rear Admiral George Elliot (a cousin of Charles) departed to extract reparations and secure favourable trade arrangements from the Chinese government.

What would become known as the First Opium War (or First Anglo-Chinese War) began in June 1840. British forces besieged Guangzhou before sailing north and occupying or blockading a number of ports and cities along the Yangtze River and the coast as far as Shanghai. To the emperor's great alarm, the force threatened Beijing, and he sent his envoy (and Lin's successor) Qi Shan to negotiate with the Elliots. In exchange for the British withdrawal from northern China, Qi agreed to the Convention of Chuenpi (now Chuanbi), which ceded Hong Kong Island to Britain.

Though neither side, in fact, actually accepted the terms of the convention, a couple of subsequent events decided Hong Kong's fate. In January 1841 a naval landing party hoisted the British flag at Possession Point (now Possession St) on Hong Kong Island. The following month Captain Elliot attacked the Bogue Fort in Humen, took control of the Pearl River and laid siege to Guangzhou, withdrawing only after having extracted concessions from merchants there. Six months later a powerful British force led by Elliot's successor, Sir Henry Pottinger, sailed north and seized Amoy (Xiamen), Ningpo (Ningbo), Shanghai and other ports. With the strategic city of Nanking (Nanjing) under immediate threat, the Chinese were forced to accept Britain's terms.

The Treaty of Nanking abolished the monopoly system of trade, opened five 'treaty ports' to British residents and foreign trade, exempted British nationals from all Chinese laws and ceded the island of Hong Kong to the British 'in perpetuity'.

1276

Mongol hordes sweep through China and Mongol ships defeat the imperial fleet in the Pearl River; the Song dynasty's boy emperor drowns in Hong Kong

1513

In an attempt to find a sea-trading route to China, Jorge Alvarez, a Portuguese explorer, is the first European to visit the region, landing on Lintin Island just to the west of Hong Kong Island

1557

The Portuguese settle on Macau, using it as a base to develop and control the trade between China and the West

1757

The *cohong* (local merchants' guild) awarded the monopoly on China's trade with foreigners in Guangdong; European traders' freedom of movement limited between Macau and Shamian Island in Guangzhou

1773

British traders unload 1000 chests from Bengal at Guangzhou, each containing almost 70kg of Indian opium; addiction sweeps China like wildfire, and sales of what the Chinese call 'foreign mud' skyrocket

1840

Start of First Opium War, lasting two years; the war is sparked by an incident the year before when the Chinese forced the British to hand over their opium and publicly burn some 2.3 million cattles (almost half a tonne) in the city of Taiping

BRITISH HONG KONG

'Albert is so amused at my having got the island of Hong Kong', wrote Queen Victoria to King Leopold of Belgium in 1841. At the time, Hong Kong was little more than a backwater of about 20 villages and hamlets. It did offer one distinct advantage for the British trading fleet, however: a deep, well-sheltered harbour that went by the Cantonese name *hèung-gáwng* ('fragrant harbour'), so named after the scent from sandalwood incense factories that wafted across the harbour from what is now Aberdeen at the western edge of the island.

As Captain Elliot saw it, from here the British Empire and its merchants could conduct all their trade with China and establish a permanent outpost, under British sovereignty, in the Far East. But the British merchants in Guangzhou and the Royal Navy sided with Lord Palmerston; a small barren island with nary a house on it was not the type of sweeping concession that a British victory was supposed to achieve. Nonetheless, Hong Kong formally became a British possession on 26 June 1843, and its first governor, Sir Henry Pottinger, took charge. A primitive chaotic and lawless settlement soon sprang up.

GROWING PAINS

What would later be called the Second Opium War (or Second Anglo-Chinese War) broke out in October 1856. The first stage of the war was brought to an end two years later by the Treaty of Tientsin (Tianjin), which gave foreigners the right to diplomatic representation in Beijing.

Despite warnings from the Chinese, the British tried to capitalise on this agreement in 1859 by sending a flotilla carrying the first British envoy and minister plenipotentiary up the Pei Ho River to Beijing. The Chinese fired on the armada, which sustained heavy losses. Using this as a pretext, a combined British and French force invaded China and marched on Beijing. The victorious British forced the Chinese to the Convention of Peking in 1860, which ratified the Treaty of Tientsin and ceded the Kowloon peninsula and Stonecutters Island to Britain. Britain was now in complete control of Victoria Harbour and its approaches.

Hong Kong's population had leapt from 33,000 in 1850 to 265,000 in 1900 and the British army felt it needed to command the mountains of the New Territories to protect the growing colony and provide water to it. When the Qing dynasty was at its nadir, the British government petitioned China for a land extension extending Hong Kong into the New Territories. The June 1898 Convention of Peking handed Britain a larger-than-expected slice of territory running north to the Shumchun (Shenzhen) River, and 235 islands, increasing the colony's size by 90%.

A SLEEPY BACKWATER

While the *hong* – Hong Kong's major trading houses, including Jardine, Matheson and Swire – prospered from their trade with China, the colony hardly thrived in its first few decades. Fever, bubonic plague and typhoons threatened life and property, and at first the colony attracted a fair number of criminals and vice merchants. Opium dens, gambling clubs and brothels proliferated; just a year after Britain took possession, an estimated 450 prostitutes worked out of two dozen brothels. Australian 'actresses' were based in Lyndhurst Tce, known as *hauk fà gài* ('White Flower Street'), in Chinese.

Gradually, however, Hong Kong began to shape itself into a more substantial community. Gas and electrical power companies sprang up, ferries, trams, the Kowloon-Canton Railway

and the newfangled High Level Tramway (later known as the Peak Tram) provided a decent transport network, and land was reclaimed. Colonials flocked to the races at Happy Valley and visitors were as impressed with the colony's social life as they were with its development. Nonetheless, from the late 19th century right up to WWII, Hong Kong lived in the shadow of the treaty port of Shanghai, which had become Asia's premier trade and financial centre – not to mention its style capital.

The colony's population continued to grow thanks to waves of immigrants fleeing the Chinese Revolution of 1911, which ousted the decaying Qing dynasty and ushered in several decades of strife, rampaging warlords and famine. The civil war in China kept the numbers of refugees entering the colony high, but the stream became a flood after Japan invaded China in 1937.

Hong Kong's status as a British colony would offer the refugees only a temporary haven. The day after Japan attacked the US naval base at Pearl Harbor on 7 December 1941, its military machine swept down from Guangzhou and into Hong Kong.

Conditions under Japanese rule were harsh, with indiscriminate massacres of mostly Chinese civilians; Western civilians were incarcerated at Stanley Prison on Hong Kong Island. Many Hong Kong Chinese fled to Macau, administered by neutral Portugal.

THE ROAD TO BOOMTOWN

After Japan's withdrawal from Hong Kong, and subsequent surrender in August 1945, the colony looked set to resume its hibernation. But events both at home and on the mainland forced the colony in a new direction.

Just before WWII Hong Kong had begun to shift from entrepôt trade servicing China to home-grown manufacturing. The turmoil on the mainland, leading to the defeat of the Nationalists by the victorious Communists in 1949, unleashed a torrent of refugees – both rich and poor – into Hong Kong.

When Beijing sided with North Korea that year and went to war against the forces of the USA and the UN, the UN embargo on all trade with China (1951) threatened to strangle the colony economically. But on a paltry, war-torn foundation, local and foreign businesses built a huge manufacturing (notably textiles and garments) and financial services centre that transformed Hong Kong into one of the world's great economic miracles.

Much of Hong Kong's success depended on the enormous pool of cheap labour from China, often directed by entrepreneurs seeking refuge from the Communist mainland. Working conditions in those early years of economic revolution were often Dickensian: 16-hour days, unsafe working conditions, low wages and child labour were all common. Refugee workers endured, and some even earned their way out of poverty into prosperity. The Hong Kong government, under international pressure, eventually began to establish and enforce labour standards, and the situation gradually improved.

Despite the improvements, trouble flared up in the 1950s and '60s due to social discontent and poor working conditions. Feuding between Communist and Nationalist supporters in Hong Kong led to riots in 1957 and again in 1962 and 1966.

When the Communists came to power in China in 1949, many people were sure that Hong Kong would be overrun. Even without force, the Chinese could simply have ripped down the fence on the border and sent the masses to settle on Hong Kong territory. But though the Chinese government continued to denounce the 'unequal treaties', it recognised Hong Kong's importance to the national economy.

1842

Treaty of Nanking cedes Hong Kong Island to Great Britain; in an angry letter to Captain Elliot, the man responsible for the deal, Lord Palmerston calls it 'a barren island with hardly a house upon it! [It] will never be a mart for trade...'

1856

Chinese soldiers board the British merchant schooner *Arrow* to search for pirates, sparking the Second Opium War; French troops support the British in this war, while Russia and the USA lend naval support; the conflict lasts until 1860

1894

Bubonic plague breaks out for the first time in Hong Kong, killing hundreds of mainly local Chinese and leading to a mass exodus from the territory; hundreds die and trade suffers badly as ships avoid the plague-infested port

1895

Sun Yat Sen, a newly qualified Chinese doctor from Guangzhou, uses Hong Kong as a base to drive an insurrection in Southern China; it fails and the British ban Sun from the territory and he moves to Japan to continue his bid to foment revolution in China

1898

China hands the New Territories to Hong Kong in the Second Convention of Peking; instead of annexing the 'New Territories', the British agree to sign a 99-year lease, beginning on 1 July 1898 and ending at midnight on 30 June 1997

1937

Pouncing on a country weakened by a bloody civil war, Japan invades China; as many as 750,000 mainland Chinese seek shelter in Hong Kong over the next three years, fleeing their despotic and murderous invaders

In 1967, at the height of the so-called Cultural Revolution, when the ultraleftist Red Guards were in de facto control in China, Hong Kong's stability again looked precarious. Riots rocked the colony, bringing with them a wave of bombings, looting and arson attacks.

Property values in Hong Kong plunged, as did China's foreign-exchange earnings, as trade and tourism ground to a halt. However, the bulk of the population – and, importantly, the Hong Kong police – stood firm with the colonial authorities. By the end of the 1960s, China, largely due to the intervention of Premier Chou Enlai, had come to its senses and order had been restored.

A SOCIETY IN TRANSITION

After 'a testing time for the people of Hong Kong', as the *Hong Kong Yearbook* summed it up at the end of 1967, Hong Kong got on with the business of making money, which included improving the territory's infrastructure. In 1973 the first 'New Town' – Sha Tin – was completed, marking the start of a massive and unprecedented public-housing programme that would, and still does, house millions of Hong Kong people.

Although Hong Kong's stock market collapsed in 1973, its economy resumed its upward trend later in the decade. At the same time many of Hong Kong's neighbours, including Taiwan, South Korea and Singapore, began to mimic the colony's success. Just as their cheap labour was threatening to undermine the competitive edge of Hong Kong manufacturers, China began to emerge from its self-imposed isolation.

The 'Open Door' policy of Deng Xiaoping, who took control of China in the confusion after Mao Zedong's death in 1976, revived Hong Kong's role as the gateway to the mainland and it boomed. Underpinning the boom was the drive to rake in as much profit as possible ahead of 1997, when Hong Kong's once and future master would again take over.

THE 1997 QUESTION

Few people gave much thought to Hong Kong's future until the late 1970s, when the British and Chinese governments met for the first time to decide what would happen in (and after) 1997. Britain was legally bound to hand back only the New Territories – not Hong Kong Island and Kowloon, which had been ceded to it forever. However, the fact that nearly half of Hong Kong's population lived in the New Territories by that time made it an untenable division.

It was Deng Xiaoping who decided that the time was ripe to recover Hong Kong, forcing the British to the negotiating table. The inevitable conclusion laid to rest political jitters and commercial concerns that had seen the Hong Kong dollar collapse – and subsequently be pegged to the US dollar – in 1983, but there was considerable resentment that the fate of 5.5 million people had been decided without their input and that Whitehall had chosen not to provide Hong Kong people with full British passports and the right of abode in the UK.

Despite soothing words from the Chinese, British and Hong Kong governments, over the next 13 years the population of Hong Kong suffered considerable anxiety at the possible political and economic consequences of the handover. In the anxious years leading up to the handover, thousands of Hong Kong citizens emigrated to Canada, the USA, Australia, the UK and New Zealand.

ONE COUNTRY, TWO SYSTEMS

Under the agreement signed by China and Britain, which is enshrined in a document known as *The Sino-British Joint Declaration on the Question of Hong Kong*, the 'British-administered territory' of Hong Kong would disappear and be reborn as a Special Administrative Region (SAR) of China. This meant the Hong Kong SAR would be permitted to continue with its current capitalist system, while across the border the Chinese would remain with China's version of socialism. The Chinese catch phrase for this was 'One Country, Two Systems'.

In 1988 the details of this rather unorthodox system of government were spelled out in *The Basic Law for Hong Kong*, the SAR's future constitution. The Basic Law, ratified by the National People's Congress (NPC) in Beijing in 1990, preserved Hong Kong's English common-law judicial system and guaranteed the right of property and ownership. It also included the rights of assembly, free speech, association, travel and movement, correspondence, choice of occupation, academic research, religious belief and the right to strike. The SAR would enjoy a high degree of autonomy with the exception of foreign affairs and matters of defence.

As guarantees of individual freedoms and respect for human rights are written into China's own constitution, few Hong Kong Chinese held much faith in the Basic Law. The guarantees were seen as empty promises and quite a few felt the Basic Law provided Beijing with the means to interfere in Hong Kong's internal affairs to preserve public order, public morals and national security.

Although Hong Kong under the British had never been more than a benignly ruled oligarchy, Whitehall had nevertheless promised to introduce democratic reforms prior to the handover. But it soon became apparent that British and Chinese definitions of democracy differed considerably. Beijing made it abundantly clear that it would not allow Hong Kong to establish its own democratically elected government. The chief executive was to be chosen by a Beijing-appointed panel of delegates; the people of Hong Kong would elect some lower officials. In the face of opposition from Beijing, planned elections for 1988 were postponed.

TIANANMEN & ITS AFTERMATH

The concern of many Hong Kong people over their future turned to out-and-out fear on 4 June 1989, when Chinese troops massacred prodemocracy demonstrators in Beijing's Tiananmen Square. The events horrified Hong Kong people, many of whom had donated funds and goods to the demonstrators. As the Chinese authorities spread out to hunt down activists, an underground smuggling operation, code-named Yellow Bird, was set up in Hong Kong to spirit them to safety overseas.

The massacre was a watershed for Hong Kong. Sino-British relations deteriorated, the stock market fell 22% in one day and a great deal of capital left the territory for destinations overseas.

The Hong Kong government sought to rebuild confidence by announcing plans for a new airport and shipping port; with an estimated price tag of \$160 billion, this was the world's most expensive infrastructure project of the day. But China had already signalled its intentions loudly and clearly.

Hong Kong-based Chinese officials who had spoken out against the Tiananmen killings were yanked from their posts or sought asylum in the USA and Europe. Local Hong Kong people with money and skills made a mad dash to emigrate to any country that would take

1941

After just over two weeks of fierce but futile resistance, British forces surrender to Japanese forces on Christmas Day, beginning nearly four years of Japanese occupation; internment of Westerners begins; large scale massacres of mostly Chinese civilians

1945

Japan surrenders to the Allies; Hong Kong returns to British rule; the population, numbering about 1.6 million in 1941, has shrunk to about 610,000 by the end of the war, owing in part to enforced wartime deportations by the Japanese

1949

Communist forces are victorious against the Nationalists in China; refugees flood into Hong Kong; by 1947 the population reaches prewar levels and, by the end of 1950, it reaches 2.3 million

1962

A bombastic China sends 70,000 people across the frontier between Hong Kong and the New Territories in the space of a couple of weeks, creating the impression that it plans to take Hong Kong back by force

1967

The Cultural Revolution in China reaches its height; riots and bombings rock Hong Kong; a militia of 300 armed Chinese crosses the border, killing five policemen and penetrating 3km into the New Territories before pulling back

1971

A San Francisco-born martial artist called Bruce Lee returns to Hong Kong and takes his first leading role in the kung fu film *Big Boss*; it becomes a smash around the world and marks the beginning of both his international fame and a craze for martial arts movies

them. During the worst period more than 1000 people were leaving each week, especially for Canada and Australia.

Tiananmen had strengthened the resolve of those people who either could not or would not leave, giving rise to the territory's first official political parties. In a bid to restore credibility, the government introduced a Bill of Rights in 1990, and the following year bestowed on Hong Kong citizens the right to choose 18 of the 60 members of the Legislative Council (Legco), which until then had been essentially a rubber-stamp body chosen by the government and special-interest groups.

DEMOCRACY & THE LAST GOVERNOR

Hong Kong was never as politically apathetic as was generally thought in the 1970s and '80s. The word 'party' may have been anathema to the refugees who had fled from the Communists or Nationalists in the 1930s and '40s, but not necessarily to their sons and daughters.

Born and bred in the territory, these first-generation Hong Kong youths were entering universities and colleges by the 1970s and becoming politically active. Like student activists everywhere they were passionate and idealistic, agitating successfully for Chinese to be recognised as an official language alongside English. They opposed colonialism, expressed pride in their Chinese heritage and railed against the benign dictatorship of the Hong Kong colonial government. But their numbers were split between those who supported China – and the Chinese Communist Party – at all costs and those who had reservations or even mistrusted it.

The first to consider themselves 'Hong Kong people' rather than refugees from China, this generation formed the pressure groups emerging in the 1980s to debate Hong Kong's future. By the end of the decade they were coalescing into nascent political parties and preparing for the 1991 Legco (legislative council) elections.

The first party to emerge was the United Democratic Party, led by outspoken democrats Martin Lee and Szeto Wah. The pair, initially courted by China for their anticolonial positions and appointed to the committee that drafted the Basic Law, subsequently infuriated Beijing by publicly burning copies of the proto-constitution in protest over the Tiananmen massacre. Predictably, China denounced them as subversives.

Chris Patten, Hong Kong's 28th – and last – British governor arrived in 1992, pledging to his sceptical citizens to get democracy back on track. China reacted badly, first levelling daily verbal

top picks

HISTORY BOOKS

- *Foreign Mud* by Maurice Collis (1946) – first published just after WWII, this is an excellent historical reconstruction of the sordid events leading to the First Opium War that Britain fought with China.
- *Hong Kong: China's New Colony* by Stephen Vines (1998) – this excellent history continues where most books on Hong Kong leave off, examining the territory after the change in landlords. It pulls very few punches.
- *Hong Kong: Epilogue to an Empire* by Jan Morris (1997) – this anecdotal history of the territory shortly before the handover moves effortlessly between past and present as it explains what made Hong Kong so unique among the colonies of the British Empire. It's a dated but highly recommended read.
- *Old Hong Kong* by Formasia (1999) – this fascinating large-format pictorial of old photographs comes in three volumes: Volume I covers the period from 1860 to 1900; Volume II from 1901 to 1945; and Volume III from 1950 to 1997.

attacks at the governor, then threatening the post-1997 careers of any prodemocracy politicians or officials. When these tactics failed, China targeted Hong Kong's economy. Negotiations on certain business contracts straddling 1997 suddenly came to a halt, and Beijing scared off foreign investors by boycotting all talks on the new airport programme.

Sensing that it had alienated even its supporters in Hong Kong, China backed down and in 1994 gave its blessing to the new airport at Chek Lap Kok. It remained hostile to direct elections, however, and vowed to disband the democratically elected legislature after 1997.

In August 1994 China adopted a resolution to abolish the terms of office of Hong Kong's three tiers of elected bodies: the legislature, the municipal councils and the district boards. A Provisional Legislative Council was elected by Beijing, which included pro-Beijing councillors who had been defeated by democratic ones in the sitting Legco. The rival chamber met over the border in Shenzhen, as it had no authority in Hong Kong until the transfer of power three years later. This provisional body served until May 1998, when a new Legislative Council was elected partially by the people of Hong Kong, partially by business constituencies and partially by power brokers in Beijing.

As for the executive branch of power, no one was fooled by the pseudo election, choreographed by China in 1996, to select Hong Kong's first postcolonial leader. But Tung Chee Hwa (1937–), the Shanghai-born shipping magnate destined to become the SAR's first chief executive, won approval by retaining Patten's right-hand woman, Anson Chan, as his chief secretary and Donald Tsang as financial secretary.

China agreed to a low-key entry into Hong Kong, and People's Liberation Army (PLA) troops were trucked straight to their barracks in Stanley, Kowloon Tong and Bonham Rd in the Mid-Levels. On the night of 30 June 1997 the handover celebrations held in the purpose-built extension of the Hong Kong Convention & Exhibition Centre in Wan Chai were watched by millions of people around the world. Chris Patten shed a tear while Chinese Premier Jiang Zemin beamed and Prince Charles was outwardly stoic (but privately scathing, describing the Chinese leaders in a diary leaked years later to the British tabloids as 'appalling old waxworks').

CHINA'S HONG KONG INVASION PLAN

The peaceful agreement that eventually settled the status of Hong Kong was by no means a foregone conclusion in the decades leading up to it. The key negotiators have since revealed just how touchy China felt about Hong Kong and how close it came to retaking the territory by force.

Margaret Thatcher, the British prime minister who negotiated the deal, said later that Deng Xiaoping, then China's leader, told her he 'could walk in and take the whole lot this afternoon'.

She replied that China would lose everything if it did. 'There is nothing I could do to stop you,' she said, 'but the eyes of the world would now know what China is like.'

Lu Ping, the top Chinese negotiator, recently confirmed that this was no bluff on Deng's part. Deng feared that announcing the date for the 1997 handover would provoke serious unrest in Hong Kong, and China would be compelled to invade as a result.

According to Lu, China had also been hours away from invading during 1967, at the height of the chaotic Cultural Revolution, when a radical faction of the People's Liberation Army (PLA) was poised to invade the British colony during pro-Communist riots. The invasion was called off only by a late-night order from Premier Zhou Enlai to the local army commander, Huang Yongsheng, a radical Maoist who had been itching to invade.

1982

The prime minister of Great Britain, Margaret Thatcher, visits Beijing and Hong Kong and begins talks on the future of Hong Kong; China starts to expand Shenzhen, the village bordering Hong Kong, and nominates it as a special economic zone

1984

In December 1984, after more than two years of closed-door wrangling, China and Britain announce that the UK has agreed to hand back the entire colony just after midnight on 30 June 1997 (a decision made without consulting the territory's people)

1988

The detail of the 'One Country, Two Systems' policy is revealed in the joint declaration, confirming that Hong Kong people would govern Hong Kong and retain prehandover social, economic and legal systems for 50 years following the handover in 1997

1989

Chinese tanks and troops mow down protesting students in Tiananmen Square in Beijing; the massacre propels dissidents to Hong Kong; up to one million Hong Kong people – one in six of the population – brave a typhoon to march in protest

1990

The Basic Law for Hong Kong is ratified; the Bill of Rights is introduced, establishing that the SAR would enjoy a high degree of autonomy with the exception of foreign affairs and matters of defence, which would be the domain of China

1992

Hong Kong's last governor, Chris Patten, arrives in 1992 and loses no time in putting the British plans for limited democracy back on track and angers China's government as he widens their scope; Sino-British relations hit a new low

So the curtain fell on a century and a half of British rule and the new chief executive Tung summed up Chinese feelings about the handover with the words: ‘Now we are masters of our own house.’

THE RECENT PAST

Visitors returning to Hong Kong since July 1997 would see and feel little material difference walking around the city today. China has been largely true to its word in allowing Hong Kong the high level of the autonomy it enjoyed under the previous regime. Apart from the ever-higher buildings and the ever-narrowing gap between Kowloon and Hong Kong Island, business goes on as it did before the handover with ever-greater frenzy and bustle in this booming global financial and commercial centre. Perhaps the most striking thing for returning visitors from the West is the influx of a new breed of visitor: mainland Chinese, who now make up more than half the territory’s visitor numbers.

Not everything has been rosy since the handover, however, and the mainland stands accused of interfering in Hong Kong’s independence over a number of issues. Perhaps it’s not surprising. Chinese premier Deng Xiaoping’s policy of ‘One Country, Two Systems’ would always have its fault lines. His deft verbal fudge over the issue of just how much autonomy Hong Kong should enjoy continues to be tested over a series of issues: perceived attempts by the mainland to erode civil liberties and press freedoms; the debate over whether the rule of law is being maintained in the territory; and vocal calls for real democracy and better representation for all the territory’s people.

Clearly the mainland government wields huge influence both benign and malign but in most cases still prefers to tread lightly, honouring the spirit of the handover agreement to a great extent. Perhaps the real surprise should be that a monolithic one-party state (and one which theoretically remains a Communist one) has resisted daily tinkering in the affairs of a nakedly capitalistic city state based on the Western rule of law. A measure of just how successful the handover has been came in a 2007 BBC interview with Baroness Thatcher. Marking the 10th anniversary of the handover of Hong Kong from Britain to China, Thatcher, to her own surprise, deemed China’s overall performance a success.

There’s much debate about how much influence the mainland is bringing to bear overtly or covertly in Hong Kong. But might history one day identify an equal and opposite reaction going on, too? Hong Kong’s dazzling status and success arguably contains within it a kind of ‘soft’ power to influence thinking in the mainland. It might be hard to measure, but in the enclave that sheltered and inspired the fathers of powerful mainland movements (Sun Yatsen and Zhou Enlai) it should not be dismissed.

The fact remains, however, that true democracy still looks to be a long way off. Chinese people might now rule the roost but, more than a decade on from colonial days, the Legislative Council remains essentially toothless and ultimate power rests with the chief executive (and his ultimate masters), just as it did with the British governor.

HONG KONG POST-1997

Hong Kong might be a buoyant, self-confident place these days, but there were some bumps along the way. Almost as soon as the euphoria of the 1997 handover faded things started going badly in Hong Kong. A brutal economic recession, a plague and an ill-fated launch for the new airport helped to sandbag the new Hong Kong SAR in its early years.

1997	2001	2003	2003	2005	2005
The rain falls, Chris Patten cries and Hong Kong returns to Chinese sovereignty; Tung Chee Hwa takes over as chief executive; avian flu breaks out, killing six people and leading to the slaughter of 1.5 million birds in a bid to contain the outbreak	Tung Chee Hwa follows the lead of his Beijing political masters in labelling the Falun Gong a ‘vicious cult’ and limits the group’s activities in Hong Kong, calling into question the true worth of the Basic Law’s guarantee of religious freedom in the SAR	Outbreaks of Severe Acute Respiratory Syndrome (SARS) kill nearly 300 people and bring Hong Kong to a virtual halt; the economy is hit hard as visitor numbers dwindle to almost nothing and the city’s residents stay home from work and school	In July an estimated 500,000 people march through Hong Kong to oppose new anti-subversion legislation; one of the major pro-government parties of Legco refuses to vote for the bill, forcing the government to shelve it	Dogged by crises and unpopular with both his citizens and Beijing’s leadership, Tung Chee Hwa resigns as chief executive and is replaced by Donald Tsang, who is elected unopposed to the post three months later by the 852-member Election Committee	Prodemocracy Legco members, some of whom had been labelled traitors by Beijing and barred from the mainland after the Tiananmen massacre, are invited to visit the mainland by its government in a significant goodwill gesture to Hong Kong democrats

THE TRIADS

Hong Kong’s Triads, which continue to run the territory’s drug, prostitution, people smuggling, gambling and loan-sharking rackets despite the change of government, weren’t always the gangster operations they are today.

They were founded as secret and patriotic societies that opposed the corrupt and brutal Qing (Manchu) dynasty and aided the revolution that brought down that dynasty in 1911. The fact that these organisations had adopted Kwan Tai (or Kwan Yu), the god of war and upholder of righteousness, integrity and loyalty, as their patron, lent them further respectability.

Unfortunately, the Triads descended into crime and illicit activities during the civil war on the mainland, and came in droves to Hong Kong after the Communists came to power in 1949. Today they are the Chinese equivalent of the Mafia. Sporting such names as 14K, Bamboo Union, Water Room and Peace Victory Brotherhood, the Triads have been increasingly successful at recruiting disaffected teenagers from Hong Kong’s high-rise housing estates.

The Triad armoury is a hellish array of weapons ranging from meat cleavers and machetes to pistols and petrol bombs. If people default on a loan, Triad members encourage repayment by attacking them with large knives in the middle of the street.

The Communists smashed the Triad-controlled drug racket in Shanghai after the 1949 revolution. The Triads have long memories and, before the handover, many Hong Kong-based hoods moved their operations to ethnic Chinese communities in such countries as Thailand, the Philippines, Australia, Canada and the USA. Since 1997, however, many Triads have moved back into Hong Kong and have even expanded their operations into the mainland, establishing links with corrupt government cadres and high-ranking soldiers in the People’s Liberation Army (PLA).

The definitive work on the Triads (available in some Hong Kong bookshops) is *Triad Societies in Hong Kong* by WP Morgan, a former subinspector in the Royal Hong Kong Police.

The financial crisis that had rocked other parts of Asia began to be felt in Hong Kong at the end of 1997. A strain of deadly avian flu, which many people feared would become a worldwide epidemic, saw Hong Kong slaughtering some 1.4 million chickens. Following on from this was the ‘Chek Lap Kok-up’ of 1998, when the much-trumpeted new airport opened to a litany of disasters. Hong Kong was making world headlines again – but for all the wrong reasons.

The credibility of the SAR administration was severely damaged in 1999 when the government challenged a High Court ruling allowing residency rights for the China-born offspring of parents who became Hong Kong citizens after 1997. The ruling was based on certain clauses of the Basic Law – Hong Kong’s miniconstitution – that made 1.6 million people from the mainland eligible for right of abode in the territory. The SAR administration appealed to the standing committee of the National People’s Congress (NPC), China’s rubber-stamp parliament, to ‘reinterpret’ these clauses. The NPC complied, and ruled according to what the law drafters ‘meant’ but had somehow failed to write into law. Once again many people felt that the government was acting in its own – and not their – interest.

Meanwhile, chief executive Tung Chee Hwa’s popularity declined rapidly. He was increasingly seen as Beijing’s lackey, often dictatorial and aloof but strangely weak and indecisive in times of crisis. One example of the latter was his condemnation of Falun Gong, a spiritual movement that had emerged in China in 1992 and had earned the wrath of the mainland government, which brutally suppressed the movement.

DOS & DON'TS

There aren't many unusual rules of etiquette to follow in Hong Kong; in general, common sense will take you as far as you'll need to go. But on matters of identity, appearance, gift-giving and the big neighbour to the north, local people might see things a little differently than you do. For pointers on how to conduct yourself at the table, see [p174](#).

- **Clothing** – beyond the besuited realm of business, smart casual dress is acceptable even at swish restaurants, but save your bikini for the beach and keep your thongs/flip-flops in the hotel.
- **Colours** – these are often symbolic to the Chinese. Red symbolises good luck, virtue and wealth (though writing in red can convey anger or unfriendliness). White symbolises death, so think twice before giving white flowers.
- **Face** – think status and respect (both receiving and showing): keep your cool, be polite and order a glass of vintage Champagne at the Pen or Mandarin. That'll show 'em.
- **Gifts** – if you want to give flowers, chocolates or wine as a gift to someone, they may appear reluctant for fear of seeming greedy, but insist and they'll give in. Don't be surprised if they don't open a gift-wrapped present in front of you, though; to do so would be impolite. Cash is the preferred wedding gift and is given in the form of *lai-si* ([p16](#)).
- **Name cards** – Hong Kong is name-card crazy and in business circles it is a must. People simply won't take you seriously unless you have one (be sure to offer it with both hands). Bilingual cards can usually be printed within 24 hours; try printers along Man Wa Lane in Sheung Wan or ask your hotel to direct you. Expect to pay about \$200 for 100 cards.

THE CLAMOUR FOR DEMOCRACY

Despite his poor standing in the polls, Tung was returned for a second five-year term in March 2002 and moved to reform the executive branch, instituting a cabinetlike system within which secretaries would be held accountable for their portfolios.

Controversy continued to dog his time in office, however, most notably in March 2003, with the government's failure to contain the Severe Acute Respiratory Syndrome (SARS) epidemic at an early stage, provoking a torrent of blame. The outbreak killed 299 people, infected 1755 and all but closed Hong Kong down for weeks.

In July 2003 the government came under fire yet again over a deeply unpopular piece of new legislation. Called Article 23, which Beijing had added to Hong Kong's Basic Law in the aftermath of the Tiananmen student movement of 1989, the bill dealt with acts 'endangering public security', such as treason, subversion and sedition. In the face of massive public protests – of 500,000 people or more – the government shelved the bill indefinitely.

At the end of the following year the government was forced to scrap the sale of a public-housing property fund worth US\$2.7 billion just hours before it was due to list when a court sided with an elderly tenant's challenge to the sale. It was a major blow to investors – something not lost on the leadership in Beijing.

Soon after, Chinese President Hu Jintao called on Tung to 'reflect on the past' and 'learn from his mistakes', a severe scolding by Chinese political standards. In March 2005 Tung announced his resignation as chief executive, citing overwork as the reason. His interim replacement was the bow-tie-wearing chief secretary Sir Donald Tsang, who straddled both Hong Kong's regimes as financial secretary from 1995 to 2001 and had been knighted under Chris Patten in 1997. Tsang was elected uncontested in June 2005, two weeks after the nomination period closed.

2006

A flood of pregnant mainland Chinese women entering Hong Kong to give birth and claim citizenship strains Hong Kong's maternity resources; a ban on heavily pregnant women entering the territory is introduced early the following year

2007

Donald Tsang stands for election, for the first time facing an opponent; thanks in part to his popularity, but largely due to the limited voting system stuffed with probusiness and pro-Beijing voters, he wins easily and begins his second term as chief executive

2007

A green paper examining the possible introduction of greater representation to create a more democratic system is released; democracy campaigners accuse the government of dragging out any move towards universal suffrage

Compared to the lacklustre Tung, Tsang was a welcome replacement for many. On good terms with the Beijing powerbrokers, he also sustained very high public approval ratings beyond the usual political honeymoon period (helped no doubt by a resurgent economy, and bullish stock and housing markets).

In 2007 Tsang stood again for election, and was elected with ease. He was the first chief executive not to stand unopposed. His contestant, prodemocracy activist Alan Leong, came a distant second, but for many who yearn for a truly democratic Hong Kong it is a sign of hope that Hong Kong people may one day see a government truly elected by them rather than by a cabal dominated by those loyal to local business and to the mainland powers that be.

Yearnings for democracy aside, more than 10 years on from the handover, the mood in Hong Kong is buoyant, thanks in large part to a resurgent economy taking an ever-fatter tithe from China's boom.

In the later years of the decade Hong Kong has a spring in its step and most of its citizens are proud to say they are citizens of the SAR as well, crucially, as subjects of China, however confusing and problematic that dual identity might sometimes seem.

ARTS

The epithet 'cultural desert' can no longer be used to describe Hong Kong. There are both philharmonic and Chinese orchestras, Chinese and modern dance troupes, a ballet company, several theatre groups, and numerous art schools and organisations. Government funds also allow local venues to bring in top international performers, and the number of international arts festivals hosted here seems to grow each year. Local street-opera troupes occasionally pop up around the city. Both local and mainland Chinese opera troupes can also sometimes be seen in more formal settings.

There are two art forms enjoying something of a renaissance in Hong Kong: fine arts (especially painting) and literature. The former is due to the influx of contemporary work – a lot of it derivative but some of it very good indeed – from the mainland and a new-found maturity inherent in much local painting. Home-grown literature in English, which has been quietly simmering away for the past decade or so, has been recently brought to the boil by the annual – and very successful – Man Hong Kong International Literary Festival ([p37](#)).

CINEMA

While painting and literature are enjoying a new lease of life in early 21st century Hong Kong, the art of film making has lost its lustre. Once the 'Hollywood of the Far East', churning out 245 films in 1994 alone and coming in third behind Hollywood and Mumbai, Hong Kong now produces only a few dozen films each year. What's more, up to half of all local films go directly to video format, to be pirated and sold as DVDs in the markets of Mong Kok and Shenzhen. Imports now account for between 55% and 60% of the Hong Kong film market.

Modern Hong Kong cinema arrived with the films of Bruce Lee, who first appeared in *The Big Boss* (1971), and the emergence of kung fu as a film genre. The 'chop sockey' trend

HONG KONG'S BABY BOOM

Functioning as part of 'one country' (China), with 'two systems' (a marriage of modern Chinese and British colonial legacies) throws up many political, social and legal tensions and anomalies. One of the most striking in recent times has been the flood of mainland women who have been coming to Hong Kong specifically to give birth.

It stems from a 2001 ruling by Hong Kong's highest court, which held that a child born in Hong Kong to parents from mainland China has the right to reside in Hong Kong. An unexpected consequence was a trickle and then a flood of pregnant mainlanders who came to the territory to give birth, attracted by virtually free healthcare, education and housing. It also offered a way to escape punitive fines imposed, under China's one child policy, on mainlanders who have more than one child.

Tens of thousands of mainlanders started taking this opportunity, putting unprecedented strain on Hong Kong's maternity services and causing resentment in Hong Kong. Such was the strain on the region's hospitals that in February 2007, authorities introduced new rules to make it harder for mainland women to come to Hong Kong to give birth.

top picks

HONG KONG FILMS

- *Chungking Express* (1994) – a New Wave cop flick that isn't a cop flick. Director Wong Kar Wai creates two separate (but connected) stories about cops dealing with love and relationships – the first with a drug-smuggling femme fatale in a blonde wig and the second, starring Tony Leung with a Jean Seberg–like Faye Wong. Powerful (and, at times, very funny) stuff.
- *Infernal Affairs* (2002) – Andrew Lau and Alan Mak's star-studded, utterly gripping and multi-award winning thriller made such an impact here it was heralded as Hong Kong cinema's saviour on its release. A cop (Tony Leung) and a Triad member (Andy Lau) have penetrated each other's organisations, leading to a heart-stopping and bloody witch-hunt in each tribe. Neither of the other films in the subsequent trilogy, nor Martin Scorsese's Oscar-winning remake *The Departed*, ever quite matched it for tension or style.
- *In the Mood for Love* (2000) – Wong Kar Wai's triumphant (and exceedingly stylish) tale of infidelity and obsession stars Maggie Cheung and Tony Leung as two neighbours in 1960s Hong Kong who discover their spouses are having an affair together.
- *Made in Hong Kong* (1997) – Fruit Chan's low-budget film that went on to win a number of awards is the story of a moody young gang member whose life is turned upside down when he finds the suicide note of a young girl. It's a pretty bleak take on Hong Kong youth post-1997.
- *Once Upon a Time in China* (1991) – the ultimate kung fu film, Tsui Hark's first in a series of five follows hero Wong Fei Hung (Jet Li) as he battles corrupt government officials, violent local gangsters and evil foreign entrepreneurs in order to protect his martial arts school and the people around him in 19th-century China.

continued through the 1970s and into the early '80s, when bullet-riddled action films took over. Two directors of this period stand out. King Hu directed several stylish Mandarin kung fu films in the early 1970s, and the films of today still take his work as a reference point for action design. Michael Hui, along with his brother Sam, produced many popular social comedies, including *Private Eyes* (1976) and *The Pillferers' Progress* (1977; directed by John Woo). In terms of actors, the comedic martial artist Jackie Chan was making his mark during this period, with kung fu movies such as *Snake in the Eagle's Shadow* (1978) and *Drunken Master* (1978) – both directed by Yuen Wo Ping – but he later moved on to police-related stories such as *The Protector* in 1985 and the highly popular *Police Story* series.

Overall, however, it was an uphill battle, with market share declining in the face of foreign competition. The upturn came in the mid-1980s, with John Woo's *A Better Tomorrow* series. Also prominent were the historical action films by Tsui Hark, including *Once Upon a Time in China* (1991), featuring great action design and a stirring score.

The new wave of Hong Kong films in the 1990s attracted fans worldwide, particularly John Woo's blood-soaked epics *Hard Boiled* (1992) and *The Killer* (1989). Woo was courted by Hollywood and achieved international success directing films such as *Face/Off* (1997) and *Mission Impossible 2* (2000). Jackie Chan, whose blend of kung fu and self-effacing comedy is beloved the world over, is one of several local stars to make it in Hollywood. He starred in *Crime Story* (1993), Stanley Tong's better-than-average action flick *Rumble in the Bronx* (1996), and teamed up with Owen Wilson in *Shanghai Noon* (2000) and *Shanghai Knights* (2003). Lamma native Chow Yun Fat featured in *The Replacement Killers* (1998), *Anna & the King* (1999) and *Crouching Tiger, Hidden Dragon* (2000). Jet Li, star of *Lethal Weapon 4* (1998) and *Romeo Must Die* (2000), is another Hong Kong boy who has made a splash overseas.

Wong, director of the cult favourite *Chungking Express* (1994), received the Palme d'Or at the Cannes Film Festival in 1997 for his film *Happy Together*. Wong Kar Wai's sublime *In the Mood For Love* (2000) raised Hong Kong film to a new level and earned its star, Tony Leung, the Best Actor award at Cannes. Its follow-up, also starring Leung, was the beautifully shot but confusing and indulgent *2046* (2004), the title of which refers to a hotel room number and not some time in the mid-21st century. Other memorable recent films include Yau Ching's *Ho Yuk* (Let's Love Hong Kong; 2002), the story of three alienated women pursuing or being pursued or not being pursued by each other; *Infernal Affairs* (2002); (see [above](#)); and *It Had to Be You* (2005) by Andrew Loo Wang-Hin and Maurice Li Ming-Man, a screwball comedy in which

restaurant coworkers spar, plot against and then fall in love with one another. Other directors to watch out for include Peter Chan Ho-sun, who made *He's a Woman, She's a Man* (1994), *Comrades, Almost a Love Story* (1996) and *The Love Letter* (1999); Chan Muk Sing (the *Gen-Y Cops* series); and Stanley Kwan who made *Full Moon in New York* (1989).

Hong Kong has been the setting of many Western-made films, including: *Love is a Many-Splendored Thing* (1955), starring William Holden, and Jennifer Jones as his Eurasian doctor paramour, with great shots on and from Victoria Peak; *The World of Suzie Wong* (1960), with Holden again and Nancy Kwan as the pouting bar girl from Wan Chai; *Enter the Dragon* (1973), Bruce Lee's first Western-made kung fu vehicle; *The Man with the Golden Gun* (1974), with Roger Moore as James Bond and filmed partly in a Tsim Sha Tsui topless bar; *Year of the Dragon* (1985), with Mickey Rourke; and *Tai-Pan* (1986), the less-than-successful film version of James Clavell's doorstop novel (don't miss the bogus typhoon footage). Other foreign films shot partly or in full here include *Double Impact* (1991), *Mortal Combat* (1995), *Rush Hour 2* (2001), with great shots of the harbour, and *Tomb Raider: The Cradle of Life* (2003), in which Lara Croft parachutes from Two International Finance Centre. An excellent source for spotting familiar locations is the two-part freebie *Hong Kong Movie Odyssey Guide* from the Hong Kong Tourist Board (HKTB).

The Hong Kong Film Awards, the territory's own 'Oscars', take place during the two-week Hong Kong International Film Festival, held in April and now in its third decade.

PAINTING

Contemporary Hong Kong art differs enormously from that produced in mainland China, and for good reason. Those artists coming of age in Hong Kong after WWII were largely (though not entirely) the offspring of refugees, distanced from the memories of economic deprivation, war and hunger. They were the products of a cultural fusion and sought new ways to reflect a culture that blended two worlds – the East and the West.

In general, Chinese are interested in traditional forms and painting processes – not necessarily composition and colour. Brush strokes and the utensils used to produce them are of vital importance and interest. In traditional Chinese art, change for the sake of change was never the philosophy or the trend; Chinese artists would compare their work with that of the master and judge it accordingly.

The influential Lingnan School of Painting, founded by the watercolourist Chao Shao-an (1905–98) in the 1930s and moved to Hong Kong in 1948, attempted to redress the situation. It combined traditional Chinese, Japanese and Western artistic traditions to produce a unique and rather decorative style, and basically dominated what art market there was in Hong Kong for the next two decades. An important figure of this time was Luis Chan (1905–95), the first Hong Kong Chinese artist to paint in the Western style.

WWII brought great changes not only to China but to Hong Kong, and the postwar generation of artists was characterised by an intense search for identity – Hong Kong rather than Chinese. It also set the stage for the golden age of modern Hong Kong art to come.

The late 1950s and early '60s saw the formation of several avant-garde groups, including the influential Modern Literature and Art Association, which counted Lui Shou-kwan (1919–75), Irene Chou (1924–) and Wucius Wong (1936–) among its members. Very structural, but at the same time inspired, the association spawned a whole generation of new talent obsessed with romanticism and naturalism. The Circle Art Group, founded in 1963 by Hon Chee Fun, was influenced by Abstract Expressionism and characterised by its spontaneous brushwork. Two other important names of this period were contemporaries Gaylord Chan (1925–) and Ha Bik-Chuen (1925–).

Like young artists in urban centres everywhere, Hong Kong painters today are concerned with finding their orientation in a great metropolis through personal statement. They are overwhelmingly unfused with orthodox Chinese culture and older generations' attempt to amalgamate East and West. To their mind the latter is now over and done with; judging from their work, they are now looking for something that is uniquely Hong Kong. Among those painters to watch out for are Victor Lai (1961–), a figurative artist much influenced by Francis Bacon and the German Expressionists; David Chan (1950–), who studied under Lui Shou-kwan and experimented with calligraphy and graphics; Wilson Shieh (1970–), who uses traditional

Chinese *gùng-bàt* (fine-brush) painting techniques and forms to examine contemporary themes; Francis Yu (1963–), one of Hong Kong's most important oil painters, who combines Western and Chinese elements (especially characters) in his work; and Cheng Chi-fai (1971–), who uses oils to capture uniquely Hong Kong landscapes and city scenes.

The best place to view the works of modern Hong Kong painters is the Contemporary Hong Kong Art Gallery in the Hong Kong Museum of Art (p90) in Tsim Sha Tsui. Commercial galleries that specialise in local art are Grotto Fine Art and Hanart TZ Gallery (see the boxed text, [opposite](#)).

The best sources for up-to-date information on contemporary Hong Kong and other Asian art are the bimonthly *Asian Art News* (www.asianartnews.com) and the *Asia Art Archive* (Map p70; ☎ 2815 1112; www.aaa.org.hk; 11/F Hollywood Centre, 233 Hollywood Rd, Sheung Wan; 🕒 10am–6pm Mon–Sat).

SCULPTURE

Hong Kong's most celebrated sculptor of recent years was Antonio Mak, who died tragically at the age of 43 in 1994. Working primarily in bronze, Mak focused on the human figure as well as on animals important in Chinese legend and mythology (eg horses and tigers), and was greatly influenced by Rodin. His work employs much visual 'punning'; for example, in his *Mak's Bible from Happy Valley*, a racing horse is portrayed with a winglike book made of lead across its back. The word 'book' in Cantonese has the same sound as 'to lose (at gambling)'. The painter Ha Bik-Chuen (p33) has also worked extensively in mixed media and bronze.

Salisbury Gardens, leading to the entrance of the Hong Kong Museum of Art (p90) in Tsim Sha Tsui, is lined with modern sculptures by contemporary Hong Kong sculptors. Dotted among the greenery of Kowloon Park (p91) is Sculpture Walk, with 30 marble, bronze and other weather-resistant works by both local and overseas artists, including a bronze by Mak called *Torso* and one by Britain's late Sir Eduardo Paolozzi (1924–2005) called *Concept of Newton*.

MUSIC

Classical

Western classical music is very popular among Hong Kong Chinese. The territory boasts the Hong Kong Philharmonic Orchestra and Hong Kong Sinfonietta as well as chamber orchestras, while the Hong Kong Chinese Orchestra often combines Western orchestration with traditional Chinese instruments. Overseas performers of world repute frequently make it to Hong Kong, especially during the Arts Festival (p15) held in late March or February.

Traditional Chinese

You won't hear much traditional Chinese music on the streets of Hong Kong, except perhaps the sound of the doleful *dí-dáa*, a clarinetlike instrument played in a funeral procession; the hollow-sounding *gú* (drums) and crashing *lǎw* (gongs) and *bát* (cymbals) at temple ceremonies and lion dances; or the *yí-wú*, a fiddle with 'two strings' favoured by beggars for its plaintive sound. The best place to hear this kind of music in full orchestration is by attending a concert given by the [Hong Kong Chinese Orchestra](#) (www.hkco.org) or a Chinese opera (p36).

Canto-pop

Hong Kong's home-grown popular music scene is dominated by 'Canto-pop' – original compositions that often blend Western rock or pop with traditional Chinese melodies and lyrics. Rarely radical, the songs invariably deal with such teenage concerns as unrequited love and loneliness; to many they sound like the American pop songs of the 1950s. The music is slick and eminently singable – thus the explosion of karaoke bars throughout the territory. Attending a Canto-pop concert is to see the city at its sweetest and most over the top, with screaming, silly dancing, Day-Glo wigs and enough floral tributes to set up a flower market.

Canto-pop scaled new heights from the mid-1980s to mid-1990s and turned singers like Anita Mui, Leslie Cheung, Alan Tam, Priscilla Chan and Danny Chan into household names in Hong Kong and among Chinese communities around the world. The peak of this Canto-pop golden

A GALLERY OF GALLERIES

In addition to the half-dozen commercial galleries below, all of which take part in the annual Hong Kong ArtWalk (p16) megaevent held in early March, nonprofit exhibition spaces on the cutting edge are [Para/Site Artspace](#) (Map p70; ☎ 2517 4620; www.ssa07.org; 4 Po Yan St, Sheung Wan; 🕒 noon–7pm Wed–Sun), one of the most important artists' cooperatives in Hong Kong; [Shanghai Street Artspace](#) (Map p97; ☎ 2770 2157; 404 Shanghai St, Yau Ma Tei; 🕒 1–8pm Tue–Sun), a project of the Hong Kong Arts Development Council, with video assemblages, photography, computer art and mixed media; and the [Cattle Depot Artists Village](#) (Map pp88–9; ☎ 2104 3322, 2573 1869; 63 Ma Tau Kok Rd, To Kwa Wan; 🕒 2–8pm Tue–Sun), a one-time slaughterhouse in far-flung To Kwa Wan in east Kowloon that is home to a colony of local artists who live, work and exhibit here. You might also try the [Hong Kong Visual Arts Centre](#) (p63) in Hong Kong Park.

- [Grotto Fine Art](#) (Map p68; ☎ 2121 2270; www.grottofineart.com; 2nd fl, 31C-D Wyndham St, Central; 🕒 11am–7pm Mon–Sat) This small but exquisite gallery represents predominantly Hong Kong artists whose work covers everything from painting and sculpture to mixed media.
- [Hanart TZ Gallery](#) (Map p56; ☎ 2526 9019; www.hanart.com; Room 202, 2nd fl, Henley Bldg, 5 Queen's Rd, Central; 🕒 10am–6.30pm Mon–Fri, 10am–6pm Sat) Hanart is *la crème de la crème* of art galleries in Hong Kong and was instrumental in establishing the reputation of many of the artists discussed in the Painting section of this chapter.
- [John Batten Gallery](#) (Map p68; ☎ 2854 1018; www.johnbattengallery.com; Ground fl, 64 Peel St, Soho; 🕒 1–7pm Tue–Sat, 2–5pm Sun) This gallery is charged with the enthusiasm and vision of its director, who is the Hong Kong ArtWalk organiser. He shows Asian painting (especially from the Philippines) and photography that is of consistently good quality.
- [Plum Blossoms](#) (Map p68; ☎ 2521 2189; www.plumblossoms.com; Shop 6, Ground fl, Chinachem Hollywood Centre, 1–13 Hollywood Rd, Central; 🕒 10am–6.30pm Mon–Sat) The shop where Rudolf Nureyev used to buy his baubles (and other celebrities continue to do so) is one of the most exquisite and well established in Hong Kong. It promotes Asian (especially Chinese) contemporary artists.
- [Schoeni Art Gallery](#) (www.schoeni.com.hk; 🕒 10.30am–6.30pm Mon–Sat); [Soho](#) (Map p68; ☎ 2869 8802; 21–31 Old Bailey St); [Central](#) (Map p68; ☎ 2542 3143; 27 Hollywood Rd) This Swiss-owned gallery, which has been a feature on Hollywood Rd for almost a quarter-century, specialises in Neorealist and postmodern mainland Chinese art.
- [Sin Sin Fine Art](#) (Map p77; ☎ 2858 5072; www.sinsincom.hk; Ground fl, 1 Prince's Tce, Soho; 🕒 10.30am–7.30pm Tue–Sat, 2–7pm Sun) This eclectic gallery owned and run by a local fashion designer shows predominantly Hong Kong, mainland Chinese and Southeast Asian art.

None of these galleries charge an admission fee.

age came with the advent of the so-called Four Kings: thespian/singer Andy Lau, Mr Nice Guy Jacky Cheung, dancer-turned-crooner Aaron Kwok and teen heart-throb Leon Lai.

It never quite reached that altitude again. Subsequent arrivals such as Beijing waif Faye Wong, Sammi Cheung, Kelly Chen and protohunk Nicholas Tse took their turns on the throne for a time. But today most stars are a packaged phenomenon. Stars from the mainland and Taiwan – singer/songwriter Jay Chou is one example – are competing with local stars and gaining new fans here, and the strongest influences on local music are now coming from Japan and Korea.

THEATRE

Nearly all theatre in Hong Kong is Western in form, if not content. Most productions are staged in Cantonese, and a large number are new plays by Hong Kong writers. The plays often provide an insightful and sometimes humorous look at contemporary Hong Kong life and society. The independent [Hong Kong Repertory Theatre](#) (www.hkrep.com), formed in 1977, tends to stage larger-scale productions of both original works on Chinese themes or translated Western plays. More experimental troupes are the [Hong Kong Players](#) (www.hongkongplayers.com) and the multimedia [Zuni Icosahedron](#) (www.zuni.org.hk).

English-language theatre in Hong Kong is for the most part the domain of expatriate amateurs, and plays are more often than not scripted by local writers. Among the more popular venues are the Fringe Club theatres (p218) in Central. The Hong Kong Cultural Centre (p218), the Hong

Kong Academy for the Performing Arts (p217), Hong Kong City Hall (p217) and the Shouson Theatre at the nearby Hong Kong Arts Centre (p217) all host foreign productions, ranging from overblown Western musicals to minimalist Japanese theatre.

Chinese Opera

Chinese opera (*kek*), a mixture of singing, dialogue, mime, acrobatics and dancing, is a world away from its Western counterpart, but the themes are pretty much the same: mortal heroes battle overwhelmingly powerful supernatural foes; legendary spirits defend the world against evil; lovers seek escape from domineering and disapproving parents.

Most foreigners will find that Chinese opera performances take some getting used to. Both male and female performers sing in an almost reedy falsetto designed to pierce through crowd noise, and the instrumental accompaniment often takes the form of drumming, gonging and other nonmelodic punctuation. The whole affair can last five to six hours, and the audience makes an evening of it – eating and chatting among themselves.

HONG KONG IN PRINT

- *Chinese Walls* by Sussy Chako (1994) – a harrowing (and courageous) account of incest, infidelity and despair in a dysfunctional Chinese family living in Kowloon by the Chinese-Indonesian author now known as Xu Xi.
- *Dynasty* by Robert Elegant (1977) – a favourite and a rollicking good read, this novel describes the life and times of a young Englishwoman who marries into a family not unlike the Ho Tungs, a powerful Eurasian family dating back to the early colonial period.
- *Gweilo: Memories of a Hong Kong Childhood* by Martin Booth (2004) – this much acclaimed memoir by the late British novelist and biographer captures the spirit and ethos of the Hong Kong of the 1950s, but even newcomers to Hong Kong will wonder how a prepubescent boy – even an especially precocious one – managed to have many of the adventures he claimed to have had or witness so many pivotal events first-hand.
- *The Honourable Schoolboy Spy* by John Le Carré (1977) – the most celebrated novel from the master of the thriller, this is a story of espionage and intrigue as seen through the eyes of one George Smiley, acting head of the British Secret Service in the Hong Kong of the early 1970s.
- *An Insular Possession* by Timothy Mo (1987) – this hefty book follows the careers of two young Americans who are determined to expose the corruption of British opium traders in China by leaving their trading company and starting a newspaper. The First Opium War lands them in precolonial Hong Kong.
- *Love is a Many-Splendored Thing* by Han Suyin (1952) – this novel, set in Hong Kong shortly after the end of the Chinese revolution and proclamation of the People's Republic of China (PRC), is based on a love affair the author had with a British foreign correspondent.
- *Myself a Mandarin* by Austin Coates (1968) – this positively charming work was based on Coates' work as a special magistrate dealing in traditional Chinese law in the New Territories during the 1950s. It's full of revelations about rural Hong Kong Chinese and their culture.
- *Overleaf Hong Kong* by Xu Xi (2005) – this fine collection of a dozen short stories and essays focuses largely on identity and *wà-qā-kiū* (*huaqiao* in Mandarin), or 'overseas Chinese'.
- *The Road* by Austin Coates (1959) – Coates' first book is a riveting tale of the colonial government's attempt to build a highway across Great Island (which sounds suspiciously like Lantau), and the effect it has on the government, the builders and the islanders.
- *Tai-Pan* by James Clavell (1966) – almost as thick as the *Yellow Pages*, *Tai-Pan* is a rather unrealistic tale of Western traders in Hong Kong's early days, but it's an easy read. The sequel to *Tai-Pan*, also set in Hong Kong, is another epic called *Noble House* (1981) about a fictitious *hong* (trading house).
- *The Monkey King* by Timothy Mo (1988) – Mo's first novel, set in 1950s Hong Kong, is the often hilarious account of one Wallace Nolasco, a Macanese who marries into a wickedly dysfunctional Cantonese merchant's family.
- *The Train to Lo Wu* by Jess Row (2005) – this perceptive and very subtly written collection of short stories by a former teacher at Chinese University explores the theme of alienation and feelings of being outside a place or community.
- *Triad* by Derek Lambert (1991) – a British police superintendent, who has lost his son to drugs, takes on the Chinese underworld of Hong Kong and a very attractive missionary trying to convert the godfather. Gripping (though violent) police yarn.
- *The World of Suzie Wong* by Richard Mason (1957) – arguably the most famous – if not the best – novel set in Hong Kong, this is the story of a Wan Chai–based prostitute with a heart of gold and the British artist who loves her.

There are three types of Chinese opera performed in Hong Kong. Peking opera (*qing-kek*) is a highly refined style that uses almost no scenery but a variety of traditional props. This is where you'll find the most acrobatics and swordplay. Cantonese opera (*yuet-kek*) is more a 'music hall' style, usually with a 'boy meets girl' theme, and often incorporating modern and foreign references. The most traditional is Chiu Chow opera (*chiu-kek*). It is still staged almost as it was during the Ming dynasty, with stories from the legends and folklore of the Chiu Chow (Chaozhou in Mandarin), an ethnic group from the easternmost region of Guangdong province.

Costumes, props and body language reveal much of the meaning in Chinese opera. Check out the enlightening display on the subject at the Hong Kong Heritage Museum (p125), where the HKTB (p289) offers a Chinese opera appreciation course every Saturday from 2.30pm to 3.45pm.

The best time to see Cantonese opera is during the Hong Kong Arts Festival in February/March; outdoor performances are also staged in Victoria Park on Hong Kong Island during the Mid-Autumn Festival. At other times, you might stumble upon a performance at the Temple Street Night Market (p156) in Yau Ma Tei, but the most reliable venue for opera performances year-round is the Sunbeam Theatre (p218) in North Point.

LITERATURE

Until recently about the only English-language writer Hong Kong could claim as its very own was the late Austin Coates (1922–97), who set two of his books – the autobiographical *Myself a Mandarin* and a novel called *The Road* – in the territory and also wrote a fictionalised account of the life of the celebrated 18th-century Macanese 'taipan' Martha Merop (p350). But there's life in the locally grown English-language literature scene yet, demonstrated by the creation of the Man Hong Kong International Literary Festival for English literature with an Asian focus (held every March).

Anyone who wants a 'taster' of Hong Kong literature since WWII should pick up a copy of the seminal *City Voices: Hong Kong Writing in English 1945 to the Present* (editors Xu Xi and Mike Ingham; 2003), which is a collection of novel excerpts, short stories, poems, essays and memoirs with ties to Hong Kong. *Hong Kong: Somewhere Between Heaven and Earth* (editor Barbara-Sue White; 1996) is a not-dissimilar anthology on Hong Kong but is more historical than literary, with excerpts from such figures as Queen Victoria and the French novelist Jules Verne, and reaching back as far as the Song dynasty (AD 960–1279). *Hong Kong Collage* (editor Martha PY Cheung; 1998) is a collection of stories and other writings by contemporary Chinese writers, most of whom were born and/or raised in Hong Kong.

Given its dramatic setting, its unique mixture of Chinese and Western cultures and its sensitive position at China's back door, Hong Kong has been the setting of legions of fictional books – from thrillers to romances (see the boxed text, [opposite](#)).

ARCHITECTURE

Welcome to the most dazzling skyline in the world. We defy you not to be awed as you stand for the first time at the harbour's edge in Tsim Sha Tsui and see Hong Kong Island's majestic panorama of skyscrapers marching up those steep jungle-clad hills.

The spectacle you see is thanks to the fact that in Hong Kong they knock down buildings and replace them with taller, shinier versions almost while your back is turned. The scarcity of land, the pressures of a growing population and the rapacity of developers drive this relentless cycle of destruction and reconstruction.

Over the years Hong Kong has played host to everything from Tao temples and Qing dynasty forts to Victorian churches and Edwardian hotels, not that you'd know it walking down the average street. Commercial imperatives and the almost inexhaustible demand for social housing have resulted in these high-rise forests.

Impressive though it might be on first acquaintance, there are downsides. The bulk of building here is of uninspired office and apartment blocks sprouting cheek by jowl in towns throughout the territory.

The government's risible record in preserving architecturally important buildings went almost entirely unregretted by the public at large until very recently. The destruction of the iconic Star Ferry terminal in Central marked a surprising reversal in public apathy. Heartfelt protests greeted the wrecking balls in late 2006, not that they did any good.

Things aren't getting any better either. Other important historic buildings, such as the Bauhaus market at Wan Chai or the police headquarters in Soho, may not exist by the time you read this. The jury is out on how sensitive the new reclamation of the Central shoreline will be and whether there will be a particularly generous allocation of public space.

About the only bright spot is the preservation and redevelopment of the Marine Police Headquarters in Tsim Sha Tsui. Even this venture is compromised somewhat by the redevelopment of the site into a hotel, shops and new office block.

All this destruction and the grand scale of buildings demanded here does, of course, present architects with a few opportunities to make grand and striking statements. Yet it takes a generous sponsor, usually a bank, to fund buildings that aspire to more than just concrete and glass mediocrity, making truly inspired and inspiring bits of the built environment very much the exception rather than the rule.

TRADITIONAL CHINESE & COLONIAL ARCHITECTURE

About the only examples of precolonial Chinese architecture left in urban Hong Kong are Tin Hau temples dating from the early to mid-19th century, including those at Tin Hau near Causeway Bay, Stanley, Aberdeen and Yau Ma Tei. Museums in Chai Wan and Tsuen Wan have preserved a few Hakka village structures that predate the arrival of the British. For anything more substantial, however, you have to go to the New Territories or the Outlying Islands, where walled villages, fortresses and even a 15th-century pagoda can be seen.

Colonial architecture is also in short supply. Most of what is left is on Hong Kong Island, especially in Central, such as the Legislative Council building (formerly the Supreme Court; p60), built in 1912, and Government House (p59), residence of all British governors from 1855 to 1997. In Sheung Wan there is Western Market (p70), built in 1906, and in the Mid-Levels the Edwardian-style Old Pathological Institute, now the Hong Kong Museum of Medical Sciences (p77) dating from 1905. The Old Stanley Police Station (1859; p84) and nearby Murray House (1848; p84) are important colonial structures in the southern part of Hong Kong Island.

The interesting [Hong Kong Antiquities & Monuments Office](#) (Map p94; ☎ 2721 2326; www.amo.gov.hk; 136 Nathan Rd, Tsim Sha Tsui; ☎ 9am-5pm Mon-Sat), housed in a British schoolhouse that dates from 1902, has information and exhibits on current preservation efforts. For further information, an excellent source book is *Colonial Hong Kong: A Guide* by Stephen Vines.

CONTEMPORARY ARCHITECTURE

Hong Kong's verticality was born out of necessity – the scarcity of land and the sloping terrain have always put property at a premium in this densely populated place. Some buildings, such as Central Plaza (p64) and Two International Finance Centre (p61), have seized height at all costs; others are smaller but revel in elaborate detail, such as the Hongkong & Shanghai Bank building (p53). A privileged few, such as the Hong Kong Convention & Exhibition Centre (p64), have even been able to make the audacious move to go horizontal.

It's not unfair to say that truly inspired modern architecture only reached Hong Kong when Sir Norman Foster's award-winning Hongkong & Shanghai Bank building opened in Central in 1985 (on its completion in 1985 it was also the most expensive ever built, costing about \$5 billion, or US\$668 million). For

top picks

CONTROVERSIAL BUILDINGS

- **Bank of China Tower** (p58) Architect IM Pei's soaring symphony of triangular geometry is stunning. Pity about the feng shui, which geomancers say throws off aggressive and harmful energies.
- **Hongkong & Shanghai Bank building** (p53) Sir Norman Foster's award-winning but very expensive 'inside out' 'robot' (apparently that's what it looks like to some) is by contrast a wonderfully inclusive space.
- **Hong Kong Cultural Centre** (p90) Is it a petrol station or a public toilet? And why are there no windows in the greatest location of all? The debate continues...
- **Jardine House** (p60) A smart exterior with a nod to the portholes of the ships that pass through the harbour. At least that's the polite interpretation of this house of many orifices.
- **Two International Finance Centre** (p61) Hong Kong's tallest building (by far) proves that size does matter.

the first time the territory was seeing what modern architecture can and should be: innovative, functional and startlingly beautiful.

For more on Hong Kong's contemporary architecture, pick up a copy of the illustrated pocket guide *Skylines Hong Kong* by Peter Moss or the more specialist *Hong Kong: A Guide to Recent Architecture* by Andrew Yeoh and Juanita Cheung.

ECONOMY

Hong Kong finally began booming once again after a wretched, posthandover slump that saw property prices and the stock market tank and everyone from rich to poor become uncharacteristically bearish. The talk was that Shanghai was the new Asian world city and Hong Kong was doomed to remain a mere backwater.

It took several unexpected body blows to create this gloomy mood – a 1997 run on Asian currencies, September 11 2001 and the deadly SARS epidemic that virtually shut the place down.

You can't keep the irrepressible and hard-working citizens of Hong Kong down forever, though. As China's epoch-making rise continues, entrepreneurial Hong Kong rides its surging wave. It is once again Asia's preeminent city state, taking a fat tithe from its mainland trade in goods and finance. Its container port is busier than ever and its booming stock market continues to underwrite a historic series of mainland public flotations, its unique status and clear rule of law attracting significant deals and, increasingly, investment from the mainland away from Shanghai's exchange.

Hong Kong's Stock Exchange is the seventh largest in the world, with a market capitalisation of about US\$1.71 trillion. In 2006, the value of initial public offerings handled here was second highest in the world after London. The easing of travel restrictions from China to Hong Kong hasn't hurt either. Visitor numbers from the mainland have surged by half.

The fact remains, however, that while Hong Kong proudly trumpets its laissez faire economic policies, considerable sections of the economy, including transport and power generation, are dominated by a handful of cartels and monopolistic franchises. Nonetheless, Hong Kong's economy is by far the freest in Asia, enjoying low taxes, a modern and efficient port and airport, excellent worldwide communications and strict anticorruption laws.

Critics would say that while Hong Kong's annual per capita GDP of US\$38,000 – the highest in Asia, ranking fifth worldwide (compared to \$7600 in China) according to IMF figures – is less impressive than it looks. The distribution of such wealth is far from even. Hong Kong has more billionaires than most other countries, but many more people who struggle to meet much more than fairly basic levels of subsistence.

Hong Kong has moved from labour- to capital-intensive industries in recent decades – service industries employ about 85% of Hong Kong's workforce and make up more than 88% of its GDP. Telecommunications, banking, insurance, tourism and retail sales have pushed manufacturing into the background, and almost all manual labour is now performed across the border in southern China. The shift from manufacturing to services has not been without problems.

The change may have seen a dramatic increase in wages, but there has not been a corresponding expansion of the welfare state. On the other hand generous personal tax allowances mean only a little more than 40% of the working population of 3.54 million pays any salaries tax at all and a mere 0.3% pays the full 16%.

Hong Kong has traditionally suffered from a labour shortage. Most of the manual work (domestic, construction etc) is performed by imported labour, chiefly from Southeast Asia. The labour shortage is most acute in the high-tech and financial fields, prompting the government to consider further relaxing restrictions on importing talent from the mainland, a move deeply unpopular with Hong Kong's working class.

ENVIRONMENT & PLANNING

THE LAND

Hong Kong measures 1103 sq km and is divided into four major areas: Hong Kong Island, Kowloon, the New Territories and the Outlying Islands.

Hong Kong Island covers 81 sq km, or just over 7% of the total land area. It lies on the southern side of Victoria Harbour, and contains the main business district, Central. Kowloon

is a peninsula on the northern side of the harbour. The southern tip, an area called Tsim Sha Tsui (pronounced jim-saa-jéui), is a major tourist area. Kowloon only includes the land south of Boundary St, but land reclamation and encroachment into the New Territories gives it an area of about 47 sq km, or just over 4% of the total. The New Territories occupies 747 sq km, or more than 68% of Hong Kong's land area, and spreads out like a fan between Kowloon and the border with mainland China. What was once the territory's rural hinterland has become in large part a network of 'New Towns'. The Outlying Islands refers to the territory's 234 islands, but does not include Hong Kong Island or Stonecutters Island, which is off the western shore of the Kowloon peninsula and has been absorbed by land reclamation. Officially, they are part of the New Territories and their 228 sq km make up just over 20% of Hong Kong's total land area.

Almost half the population lives in the New Territories, followed by Kowloon (30.1%), Hong Kong Island (19.7%) and the Outlying Islands (2%). A tiny percentage (0.1%, or under 7000 people) live at sea. The overall population density is 6300 people per sq km and may already have reached seven million.

GREEN HONG KONG

When you finally reach it, Hong Kong's countryside is very lush and, although only 12% of the land area is forested, some 415 sq km (or 38% of the territory's total landmass) has been designated as protected country parks. These 23 parks – for the most part in the New Territories and Outlying Islands, but encompassing the slopes of Hong Kong Island, too – comprise uplands, woodlands, coastlines, marshes and all of Hong Kong's 17 freshwater reservoirs. In addition, there are 15 'special areas' (eg Tai Po Kau Nature Reserve), as well as four protected marine parks and one marine reserve.

Hong Kong counts an estimated 3100 species of indigenous and introduced plants, trees and flowers, including Hong Kong's own flower, the bauhinia (*Bauhinia blakeana*). Hong Kong's beaches and coastal areas are also home to a wide variety of plant life, including creeping beach vitex (*Vitex trifolia*), rattlebox (*Croatalaria retusa*), beach naupaka (*Scaevola sericea*) and screw pine (*Pandanus tectorius*).

One of the largest natural habitats for wildlife in Hong Kong is the Mai Po Marsh (p108). There are also sanctuaries in the wetland areas of Tin Shui Wai (Hong Kong Wetland Park) and Kam Tin.

Wooded areas throughout the territory are habitats for warblers, flycatchers, robins, bulbuls and tits. Occasionally you'll see sulphur-crested cockatoos, even on Hong Kong Island, and flocks of domestic budgerigars (parakeets) – domestic pets that have managed to fly the coop.

The areas around some of Hong Kong's reservoirs shelter a large number of aggressive long-tailed macaques and rhesus monkeys, both of which are nonnative species. Common smaller mammals include woodland and house shrews and bats. Occasionally spotted are leopard cats, Chinese porcupines, masked palm civets, ferret badgers, wild boar and barking deer. An interesting (but rare) creature is the Chinese pangolin, a scaly mammal resembling an armadillo that rolls itself up into an impenetrable ball when threatened.

Frogs, lizards and snakes – including the red-necked keelback, which has not one but two sets of fangs – can be seen in the New Territories and the Outlying Islands. Hong Kong is also home to an incredible variety of insects. There are some 200 species of butterflies and moths alone, including the giant silkworm moth with a wingspan of over 20cm.

Hong Kong waters are rich in sea life, including sharks (three-quarters of Hong Kong's 40-odd gazetted beaches are equipped with shark nets) and dolphins, including Chinese white dolphins (see the boxed text, p148) and finless porpoises. Endangered green turtles call on Sham Wan beach on Lamma to lay eggs (see the boxed text, p133), and there are some 80 species of stony coral. One of Hong Kong's few remaining colonies of horseshoe crab lives in Tung Chung Bay, where the first part of the proposed Pearl River delta bridge (p310) will be built.

POLLUTION

Pollution has been and remains a problem in Hong Kong, but it wasn't until the formation of the Environmental Protection Department (EPD) in 1989 that government authorities acted decisively to clean up the mess. The EPD has had to deal with decades of serious environmental abuse and – almost as serious – a population that until recently didn't know (or care) about the implications of littering and pollution.

Three large landfills in the New Territories now absorb all of Hong Kong's daily 9440 tonnes of municipal waste (though they will soon be full). This, as well as the increased use of private garbage collectors and more recycling, appears to be having some effect.

Perhaps Hong Kong's most pressing environmental problem is air pollution, responsible for up to 15,600 premature deaths a year. It seems to get only worse. Ceaseless construction, a high proportion of diesel vehicles, coal-fired power stations and industrial pollution from the industrialised Pearl River delta have made for dangerous levels of particulate matter and nitrogen dioxide, especially in Central, Causeway Bay, Mong Kok and Tung Chung.

Complaints related to air pollution in Hong Kong led to seven million visits to the doctor in 2006 – that's one for every citizen. Unsurprisingly it has become a highly charged political and economic issue. Opinion polls show Hong Kong citizens put it right at the front of the issues they worry about and a new lobby group, the Clean Air Foundation, has challenged the government in court over its lack of action in tackling the problem. An hourly update of Hong Kong's air pollution index can be found on the EPD's website (www.info.gov.hk/epd).

The Hong Kong and Guangdong provincial governments have signed a joint intent to reduce regional emissions of breathable suspended particulates, nitrogen oxides, sulphur dioxide and volatile organic compounds by more than half by 2010. The switch from diesel fuel to LPG by Hong Kong's taxis and newly registered minibuses has reduced breathable suspended particulates and nitrogen oxides by 13% and 23% respectively in four years, but Hong Kong's ever-growing fleet of buses continues to run overwhelmingly on diesel. It is still a fairly frequent experience not to be able to see across Victoria Harbour during daylight hours.

Water pollution has been one of Hong Kong's most serious ecological problems over the years. Victoria Harbour remains in a pitiful state, suffering from the effects of years of industrial and sewage pollution, though a disposal system called the Harbour Area Treatment Scheme has been collecting up to 70% of the sewage entering the harbour and the *E.coli* count (the bacteria that can indicate the presence of sewage) has stabilised. The percentage of rivers in the 'good' and 'excellent' categories is also increasing.

The quality of the water at Hong Kong's 41 gazetted beaches must be rated 'good' or 'fair' to allow public use, but many beaches here fall below the World Health Organization's levels for safe swimming due to pollution. Since 1998 water has been tested at each beach every two weeks during the swimming season (April to October) and judgements made based upon the level of *E. coli* present in the sample. The list of beaches deemed safe enough for swimming (an average 34 in 2004) is printed in the newspapers and on the EPD's website.

An especially annoying form of pollution in Hong Kong is the noise created by traffic, industry and commerce. Laws governing the use of construction machinery appear strict on paper, but there's often a way around things. General construction is allowed to continue between the hours of 7pm and 7am as long as builders secure a permit.

CHINESE MEDICINE

Chinese herbal medicine remains very popular in Hong Kong and seems to work best for the relief of common colds, flu and for chronic conditions that resist Western medicine, such as migraine headaches, asthma and chronic backache. The pills on sale in herbal medicine shops are generally broad-spectrum, while a prescription remedy will usually require that you take home bags full of specific herbs and cook them into a thick, vile-smelling broth.

It is a widely held belief in China that overwork and sex wear down the body and that such 'exercise' will result in a short life. To counter the wear and tear, some Chinese practise *jeun-bó* (the consumption of tonic food and herbs). This can include, for example, drinking raw snake's blood or bear's bile, or eating deer antlers, all of which are claimed to improve vision, strength and sexual potency. Similarly, the long life of the tortoise can be absorbed through a soup made from its flesh.

Like herbal medicine, Chinese acupuncture is used to treat long-term complaints rather than acute conditions and emergencies. The exact mechanism by which acupuncture works is not fully understood. The Chinese talk of energy channels or meridians, which connect the needle insertion point to the particular organ, gland or joint being treated. The acupuncture point is sometimes quite far from the area of the body being treated, and knowing just where to insert the needle is crucial. Acupuncturists have identified more than 2000 insertion points, but only about 150 are commonly used.

URBAN PLANNING & DEVELOPMENT

In recent years reclamation has continued apace in Victoria Harbour, prompting fears among many that Hong Kong's most scenic (and valuable) spot will soon disappear under concrete. (The harbour is already about half the size it was in the mid-19th century.)

Hong Kong's Court of Final Appeal forced the government to rethink plans for a 26-hectare landfill in January 2004. But despite a mass outcry and protests organised by the [Society for Protection of the Harbour](http://www.friendsoftheharbour.org) (www.friendsoftheharbour.org), two reclamation projects near Central are going ahead and at full tilt. Watch this (and that) space.

For an idea of how Hong Kong will look in the near and distant future, visit the Hong Kong Planning & Infrastructure Exhibition Gallery (p60) near City Hall in Central.

GOVERNMENT & POLITICS

The government of the Hong Kong Special Administrative Region (SAR) is a complicated hybrid of a quasi-presidential system glued awkwardly onto a quasi-parliamentary model. It is not what could be called a democratic system, although it has democratic elements. Sort of.

The executive branch of government is led by the chief executive, Donald Tsang, who was selected to replace Shanghai business tycoon Tung Chee Hwa, following his resignation in March 2005. Uncontested, Tsang was elected by an 800-member election committee dominated by pro-Beijing forces in June and then voted in two years later in a contested election when he comfortably beat prodemocracy activist Alan Leong.

The chief executive selects members (currently numbering 21) of the Executive Council, which serves effectively as the cabinet and advises on policy matters. The top three policy secretaries are the chief secretary for the administration of government, the financial secretary and the secretary for justice. Council members are usually civil servants or from the private sector.

The 60-seat Legislative Council is responsible for passing legislation proposed by the Executive Council. It also approves public expenditure and, in theory, monitors the administration. Council members are elected for four-year terms.

In the September 2004 election, the prodemocracy bloc, including the Association for Democracy and People's Livelihood, the Democratic Party and the Frontier Party, won almost two-thirds of the popular vote, but due to the rules of appointment they took only 25 seats (ie 40% of the total). This is because only half of the 60 council seats are returned through direct election, with the other 30 chosen by narrowly defined, occupationally based 'functional constituencies'. With a few exceptions, 'corporate voting' is the rule, enfranchising only a few powerful and conservative members of each functional constituency.

The judiciary is headed by the chief justice and is, according to the Basic Law, independent of the executive and the legislative branches. The highest court in the land is the Court of Final Appeal, which has the power of final adjudication.

The 18 District Boards, created in 1982 and restructured in 1997, are meant to give Hong Kong residents a degree of control in their local areas. These boards consist of government officials and elected representatives, but they have little power.

Although the stated aim of the Basic Law is 'full democracy', it supplies no definition for this. In April 2004, China's legislators ruled out universal suffrage in Hong Kong's 2007 election of its chief executive as well as for its 2008 Legislative Council election, citing concern that such reforms could undermine political stability and economic development.

Changes to the system can only be made with the agreement of the chief executive and a two-thirds majority of the legislature. With the democratic camp in the minority in the Legislative Council, many are pessimistic about the prospects of installing genuine democracy in Hong Kong. The clamour among the people to be heard may be louder and better organised these days but the government's response, characterised by platitudes and general expressions of a vague desire for democracy, doesn't look much less mealy-mouthed than that of Britain while it was in charge. Hong Kong's (admittedly popular) chief executive Donald Tsang has made noises about a more democratic future some time after 2012, but it's a vague commitment and one that is in any case largely the gift of the mainland.

VERY SUPERSTITIOUS

While Hong Kong may appear as Western as a Big Mac on the surface, many old Chinese traditions persist. Whether people still believe in all of them or just go through the motions to please parents, neighbours or coworkers is hard to say. But Hong Kong Chinese are too astute to leave something as important as joss, or ('luck'), to chance.

For all its worldly ways, Hong Kong is also a surprisingly religious place. The dominant religions in Hong Kong are Buddhism and Taoism, entwined with elements of Confucianism, ancient animist beliefs and ancestor worship. The number of active Buddhists in Hong Kong is estimated at around 700,000.

Feng Shui

Literally 'wind water', feng shui ('geomancy' in English) aims to balance the elements of nature to create a harmonious environment. In practice since the 12th century, it still influences designs of buildings, highways, parks, tunnels and grave sites. To guard against evil spirits, who can move only in straight lines, doors are often positioned at an angle. For similar reasons, beds cannot face doorways. Ideally, homes and businesses should have a view of calm water (even a goldfish tank helps). Corporate heads shouldn't have offices that face westward, otherwise profits will go in the same direction as the setting sun.

Fortune-Telling

There are any number of props and implements that Chinese use to predict the future but the most common method of divination in Hong Kong are the chim ('fortune sticks') found at Buddhist and Taoist temples that must be shaken out of a box onto the ground and then read by a fortune-teller. Palm readers usually examine both the lines and features of the hand (left for men, right for women) but may also examine your facial features. Apparently there are eight basic shapes, but 48 recognised eye patterns that reveal character and fortune.

Numerology

In Cantonese the word for 'three' sounds similar to 'life', 'nine' like 'eternity', and the ever-popular number 'eight' like 'prosperity'. Lowest on the list is 'four', which shares the same pronunciation with the word for 'death'. As a result the right number can make or break a business and each year the government draws in millions of dollars for charity by auctioning off automobile licence plates that feature lucky numbers. The Bank of China Tower was officially opened on 8 August 1988 (8/8/88), a rare union of the prosperous numbers. August is always a busy month for weddings.

Zodiac

As in the Western system of astrology, the Chinese zodiac has 12 signs, but their representations are all animals. Your sign is based on the year of your birth (according to the lunar calendar). Being born or married in a particular year is believed to determine one's fortune, so parents often plan for their children's sign. The year of the dragon sees the biggest jump in the birth rate, closely followed by the year of the tiger. A girl born in the year of the pig could have trouble later in life.

MEDIA

A total of 52 daily (or almost daily) newspapers and upwards of 800 periodicals are published in the well-read territory of Hong Kong. The vast majority of the publications are in Chinese. *Ta Kung Pao*, *Wen Wei Pao* and *Hong Kong Commercial Daily* all toe the government line and are pro-Beijing. According to independent surveys, the most trusted newspapers are *Ming Pao*, Hong Kong's newspaper of record, and the business-orientated *Hong Kong Economic Journal*.

This is all relative, however; the press is not entirely free and journalists are more inclined to self-censor. Media watchdog Reporters Without Borders placed Hong Kong 58th in its press freedom ranking for 2006, a slump from 18th place in 2002. Mainland Chinese influence, both overt and covert, is corrosive of press freedom but the business interests of many Hong Kong media owners eager to curry favour with the mainland is another factor in the decreasing ability of the Hong Kong media to tell the truth to power and to its own people.

Two English-language dailies, the *South China Morning Post* and the *Hong Kong Standard*, compete for the expatriate and Westernised Chinese markets, though there is also an English-language version of *China Daily* on sale here as well as other international dailies, including the *International Herald Tribune* and the *Financial Times*. For details see p297. For information on Hong Kong radio, see p300, and see p301 for information on television.

FASHION

Not so long ago, the strength of the Hong Kong fashion industry lay in its ability to duplicate designs. Indeed, for many travellers a shopping trip to Hong Kong meant amassing *faux* but authentic-looking Chanel purses, Louis Vuitton bags and Cartier wrist watches.

With the crackdown by the Hong Kong government on such activities and a maturing of the market, the industry has taken on a much more creative role, finding a new voice in everything from haute couture and casual wear to hip street fashion.

The fashion industry here includes: established designers who, for the most part, are couturiers and create one-off made-to-measure outfits; younger 'name' designers, who have popular collections and sell both in Hong Kong and for export; and local brands, covering the spectrum from evening and party wear to casual and streetwear.

Of the established designers a few names stand out, including the New York-based Vivienne Tam, who trained in Hong Kong, and Walter Ma, often cited as the voice of Hong Kong fashion, whose women's wear is both sophisticated and adventurous. Barney Cheng's designs are very luxurious, often embellished with beads and sequins, and he sews for the stars. Other names to watch out for include Lu Lu Cheung, especially her Terra Rosalis line, with subtle, Japanese-influenced pieces; Cecilia Yau and her gowns; Johanna Ho, whose low-key outfits are characterised by elegant straight lines and stylish but classic design; and Dorian Ho, the current darling of the designer fashion pack whose D'Orient line is classic but modern. Blanc de Chine does mostly tailored outfits, which are quietly elegant, very exclusive and distinctively Oriental.

Among the younger designers, Benjamin Lau produces innovative but very wearable pieces noted for their fine cutting. His Madame Benjie line of contemporary ready-to-wear for young women is one of the few in Hong Kong not influenced by trends. The signature pieces of one of the most amusing designers in the game, Pacino Wan, are T-shirts with kooky stencilling and denim jackets and skirts. Ruby Li is another young designer producing pieces for the young and trendy that are fun to wear. Virginia Lai concentrates on evening wear in her Virginia L line. Lu Lu Cheung's assistant designer, Otto Tang, with his cotton uppers, leather pants and torn fishnet stockings, is a name to watch. Grace Choi makes great use of embroidery and beads in her styles.

Today some of the more popular brands are the [i.t group](http://www.izzue.com) (www.izzue.com), with a hip casual-wear line and its 5cm line of easy coordinates and trendy streetwear, and Fait a Main, women's contemporary lines designed by John Cheng and distributed by Lane Crawford. Henry Lau's Spy, with three branches, is funky and provocative. Shanghai Tang has modern off-the-rack designs with traditional Chinese motifs, often dyed in vibrant colours.

See [p154](#) in the Shopping chapter for the rundown on clothes shopping in Hong Kong.

THE WARDROBE OF SUZIE WONG

Neon-coloured Indian saris are beautiful when fastidiously wrapped and tucked, and Japanese kimonos can be like bright cocoons from which a chrysalis coyly peaks. And what's wrong with a sarong with a palm tree and blue lagoon as backdrop?

But there's nothing quite like a cheongsam, the close-fitting sheath that is as Chinese as a bowl of wonton noodle soup. It lifts where it should and never pulls where it shouldn't. And those thigh-high side slits – well, they're enough to give any man apoplexy. It's sensuous but never lewd; it reveals without showing too much.

Reach into any Hong Kong Chinese woman's closet and you're bound to find at least one cheongsam (*qipáo* in Mandarin), the closest thing Hong Kong has to national dress. It's there for formal occasions like Chinese New Year gatherings, work (restaurant receptionists and nightclub hostesses wear them), school (cotton cheongsams are still the uniform at several colleges and secondary schools) or for the 'big day'. Modern Hong Kong brides may take their vows in white, but when they're slipping off for the honeymoon, they put on a red cheongsam.

It's difficult to imagine that this bedazzling dress started life as a man's garment. During the Qing dynasty, the Manchus ordered Han Chinese to emulate their way of dress – elite men wore a loose 'long robe' (*ch'ung-pà*) with a 'riding jacket' (*máa-kwáa*) while women wore trousers under a long garment. By the 1920s, modern women in Shanghai had taken to wearing the androgynous *changpao*, which released them from layers of confining clothing. From this outfit evolved the cheongsam.

The 'bourgeois' cheongsam dropped out of favour in China when the Communists came to power in 1949 and was banned outright during the Cultural Revolution, but the 1950s and '60s were the outfit's heyday. This was the era of Suzie Wong (the cheongsam is sometimes called a 'Suzie Wong dress') and, although hemlines rose and dropped, collars stiffened and more darts were added to give it a tighter fit, the cheongsam has remained essentially the same: elegant, sexy and very Chinese.

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